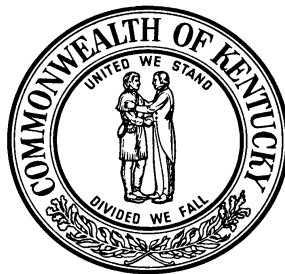


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE GRAVES COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 01, 2014 Through June 30, 2015**



**MIKE HARMON
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MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report
On Applying Agreed Upon Procedures

William M. Landrum III, Secretary, Finance and Administration Cabinet
The Honorable Howel Carr, Graves County Property Valuation Administrator
Mayfield, Kentucky 42066

We have performed the procedures enumerated below, which were agreed to by the Finance and Administration Cabinet, Department of Revenue, and the Graves County Property Valuation Administrator (PVA) solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 01, 2014 through June 30, 2015. PVA's management is responsible for the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2015), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. The June 30, 2015 bank reconciliation was accurate.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

The payments from the cities have been confirmed and agree to the PVA receipts records. List of city receipts is complete.



William M. Landrum III, Secretary, Finance and Administration Cabinet
The Honorable Howel Carr, Graves County Property Valuation Administrator
(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by the fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Payments made by the fiscal court to the PVA have been confirmed. The budgeted statutory contribution by the fiscal court agreed to the legally required amounts calculated by the Department of Revenue. Fiscal court payments were traced from the fiscal court statutory contribution budget account to the PVA's local bank account.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices, or other supporting documentation. Determine if the disbursement is for official business. Review all credit card statements (if any) to determine if disbursements are for official business.

Finding -

A sample of 15 items was selected for testing. The recorded amounts agreed to cancelled checks. However, the auditor could not find an invoice for three disbursements and could not verify they were for official business. One disbursement was not for official business. All other tested disbursements appeared to be for official business and were supported. Credit cards were used, but since there was not an itemized list of charges or receipts, the auditor could not determine if disbursements were for official business.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

Proper purchasing procedures were not followed for a capital outlay disbursement. The PVA did not competitively bid or make the purchase from the state price contract vendor. The capital outlay disbursement agreed to the cancelled check and supporting documentation. The location of the asset was verified. The asset was added to the PVA's capital asset inventory list.

Official Response: Need a provider in west Ky. not one dealer in central part of state to deal with.

William M. Landrum III, Secretary, Finance and Administration Cabinet
The Honorable Howel Carr, Graves County Property Valuation Administrator
(Continued)

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

Not applicable, the PVA does not have any lease agreements, personal service contracts, or professional service contracts.

7. Procedure -

Compare PVA's final budget to actual disbursements to determine if PVA overspent in any account series.

Finding -

The final budget was compared to actual disbursements, and there were account series that were overspent.

8. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Time records are completed, maintained, and support the hours worked. However, it does not appear the PVA approved the time sheets.

9. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

Not applicable as no change in the PVA.

10. Procedure -

For newly hired employees, during July 01, 2014 through June 30, 2015, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding -

Not applicable since no new employees were hired between during July 01, 2014 through June 30, 2015.

William M. Landrum III, Secretary, Finance and Administration Cabinet
The Honorable Howel Carr, Graves County Property Valuation Administrator
(Continued)

11. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

The PVA followed the proper procedures and completed the appropriate forms for the days the office was closed other than state's approved holidays.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Finance and Administration Cabinet, Department of Revenue, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mike Harmon", with a long horizontal flourish extending to the right.

Mike Harmon
Auditor of Public Accounts

January 28, 2016